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Phillip A Hahn
Staff Director
Federal Regulatory Matter

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NYNEX

September 22, 1994

Ex Parte

William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

RECEIVED

SEP 22 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: PR File No. 94-SP6

94-108

Dear Mr. Caton:

In connection with the September 14, 1994 meeting between representatives of NYNEX Mobile Communications Company and representatives of the Land Mobile and Microwave Division of the Private Radio Bureau (see my Ex Parte transmittal letter dated September 15, 1994 regarding the above captioned proceeding), the attached information was requested by the staff and is now being provided. A copy of this letter and attachment is being provided to each of the Commission representatives who attended the September 14, meeting.

Questions regarding this matter should be directed to me at the number or address shown above.

Sincerely,

Phillip A. Hahn

Attachment

cc: R. Harrison
D. Furth

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STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

THREE EMPIRE STATE PLAZA, ALBANY, NY 12223

PUBLIC SERVICE COMMISSION

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WILLIAM J. COWAN
General Counsel

JOHN J. KELLNER
Secretary

MAY 25 1990

May 23, 1990

To All Interested Parties:

The Department of Public Service has drafted a legislative proposal to change the way in which the Commission would regulate certain providers of telecommunications services. A copy of the proposal is enclosed. Since the proposal may affect the constituency or organization you represent, we would appreciate receiving your comments on its provisions.

The proposal was developed in response to the Commission's decision in its Case 29469, a case investigating the provision of telecommunications services in New York State (See Order and Opinion Concerning Regulatory Response to Competition, issued May 16, 1989). The Commission determined that, in light of changes in the telecommunications field, there should be modifications in the regulation of some providers in order to promote innovation, efficiency and lower prices for consumers.

The bill has been submitted to the Governor's Office for review. In addition, however, the Department is circulating the bill to interested parties. We are hopeful that you could submit any comments you may wish to make by July 2, 1990. If you have questions about any of the provisions of the bill, please call me at 474-2510.

Sincerely,

A handwritten signature in dark ink, appearing to read "William J. Cowan", written over a horizontal line.

WILLIAM J. COWAN
General Counsel

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

March 13, 1990

TO: EVAN A. DAVIS, ESQ.
Counsel to the Governor

FROM: WILLIAM J. COWAN, General Counsel
Department of Public Service

SUBJECT: Department of Public Service 1990 Legislative
Proposal No. 1

Purpose of bill:

To modify the regulation of nondominant telecommunications providers and services under the Public Service Law while retaining authority to monitor market conditions and ensure adequate customer protection.

Summary of provisions:

The bill would add a new Article 5-A to the Public Service (PSL) to establish a new state telecommunications policy and to modify the regulation of nondominant telecommunications providers and services. ^{1/} The Article would also provide that the Public Service Commission could reimpose regulation, no sooner than one year after the Act's effective date, to the extent found necessary to protect the public interest.

Nondominant telecommunications providers and services would include cellular telephone services, resellers, COCOT services, shared tenant services, nondominant interexchange telecommunications companies, and nondominant telephonic communications services, other than basic telephone service provided by a regulated company. The Article would grant the Commission authority to determine that a company or service is nondominant.

The bill, in recognition of the transition from full regulation to modified regulation, provides both reporting and customer assistance requirements. Pursuant to the Article, the Commission would be authorized to monitor market conditions and the status of competition in the

^{1/} The bill also would recodify current statutory provisions exempting COCOTS from the PSL.

telecommunications market, to protect against the emergence of unregulated monopolies, to require surveys of customer satisfaction under its direction with the cost paid by the companies, to establish reporting and service requirements for providers and services otherwise exempt from the PSL, to ensure that adequate complaint procedures are available, and to provide advice and assistance to customers with service complaints. In addition, the bill would authorize the Commission to impose a \$50,000 penalty for failure to comply with the Article or regulations implementing or enforcing its provisions and to bring an action or enforcement proceeding as provided by PSL §26.

The proposed section 102-g makes it clear that sellers of telecommunications services subject to regulation under the proposed Article 5-A are 'subject to the supervision' of the Department of Public Service for the purpose of the administration and imposition of the tax on gross income rather than gross operating income imposed under section 186-a of the Tax Law. In addition, the provision provides that, notwithstanding this general rule, certain sellers will be taxed on gross operating income. Furthermore, telegraph providers will continue to be taxed on gross operating income.

The section also protects against an erosion of the gross income base of a taxpayer by tracing receipts of certain services back to the taxpayer, for instance by including the revenues from certain services transferred to a subsidiary in the parent's taxable gross revenues.

PSL §96(6) requires a management and operations audit to be conducted every five years for any telephone company with gross revenues in excess of \$150,000,000. The bill would mandate the audit for local exchange companies. The Commission would retain its authority to provide for an audit of any interexchange telephone company subject to its jurisdiction if it determined that such an audit was necessary, but would remove the mandatory audit requirement for such companies, including ATTCOM-NY. The Federal Communications Commission has jurisdiction over the major portion of ATTCOM-NY revenues, and the company's financial performance and management decisions are influenced primarily by FCC ratemaking policies. New York State ratemaking jurisdiction over ATTCOM-NY is further restricted when access charges paid for use of local exchange facilities are excluded.

Finally, the bill would repeal PSL §90(3), recodified by this proposal, and §§ 2(25), 5(1)(g), 8-a and 96(5), establishing Commission authority that is no longer required. The Act would take effect immediately.

Existing law:

Public Service Law §5(d) requires the Commission to exercise jurisdiction over every telephone line wholly or partly in the state, and over all "corporations owning, leasing or operating any such telephone line." Articles 5 and 6 of the law set forth in detail the authority that the Commission must exercise over such corporations. That authority includes requirements that the Commission grant a certificate to every such corporation in order for it to carry out business in New York State (PSL §99), approve all rates and service standards of such corporations (PSL §92), and approve all the long term debt of such corporations, their loans and their use of revenues (PSL §§101, 106 and 107). In addition, Commission action and all such requests are subject to the requirements of the State Administrative Procedure Act, including the provision to publish notice of both the request and the subsequent Commission action in the State Register.

PSL amendments in 1981 and 1984 exempted telegraph companies and one-way and two-way radio telephone services from regulation. Further, in 1985, COCOTS were exempted from the requirements of Article 5, except that the Commission retains the power to establish minimum service, rate and location requirements.

The Commission has imposed "light regulation" on resellers, including resellers of cellular services, and nondominant interexchange companies, by streamlining the normal regulatory requirements. Such companies are allowed to file minimum and maximum rates, change prices within the established range, and provide minimum information in petitions and reports, but still must comply with a host of regulatory requirements flowing from the statutory provisions noted above.

Statement in support:

The Commission recently completed its examination of competition in the provision of telecommunications services in New York State (Case 29469, Order and Opinion Concerning Regulatory Response to Competition, Opinion No. 89-12, issued May 16, 1989). It determined that competition is emerging in the telecommunications market and traditional regulation of competitive providers and services should be changed to promote innovation and efficiency in the provision of telecommunications services.

Although the Commission found that it would certainly serve the public interest to promote the benefits

available from competition in the provision of telecommunications services, important public policy goals must be safeguarded. These goals include the continuation of universal telephone service, the maintenance of service quality at a reasonable price, access of customers to a forum for resolving complaints, promotion of fair and reasonable prices for telecommunications services and prevention of the development of an unregulated monopoly or near monopoly in the provision of deregulated telephone services.

To promote these objectives, the bill would authorize a reduced level of regulation for nondominant services and firms, but would allow the Commission to monitor the status of competition and market conditions and to reinstitute regulation if the public interest requires. In addition, to provide a smooth transition from full to modified regulation, the bill would continue the Commission's authority to establish registration, service and reporting requirements, to ensure that the companies offer adequate complaint resolution mechanisms and to provide customer assistance.

Telecommunications regulation was originally designed to govern the provision of telephone service by public utilities with monopoly franchises and to protect ratepayers from the abuses of monopoly power. Regulation imposes costs on the State's economy. The need for regulatory approval may delay the introduction of new services; regulation takes time and resources; and regulatory costs may translate into higher prices for services.

The emergence of competition in some of the telecommunications markets provides an opportunity for more growth and innovation in these services and has eliminated the reason and need for traditional regulation of the companies and services that operate in a competitive market. The Commission determined that persons and corporations providing telephone service (other than local exchange) to a minor percentage of the market, or reselling telecommunications services should not be subject to traditional regulation. It also determined that nondominant services, other than basic telephone service, provided by a regulated telephone company, cellular telephone services and shared tenant services, should be subject to modified regulation. A brief discussion of the nature of each of these services is set forth in an Appendix to this memo.

In sum, the bill would foster a new competitive environment for the State's telecommunications companies and offer strong protection for customers in the State's transition from a regulated to unregulated market. It would enable the State to maintain a strong competitive position by encouraging technological innovation and the development of the most efficient telecommunications services possible at a reasonable price.

Budgetary implications:

None within the near future.

Appendix

Cellular telephone services are furnished under a market structure designed to avoid establishment of a dominant company: two companies may be licensed in each geographic service area. In addition, significant excess capacity and a large cellular resale market serves to increase the competitive nature of the market for cellular services.

The resale of telephone service occurs when a firm orders services from a regulated supplier and repackages the services in a way that provides some added value, generally in the form of lower prices. Resale of communications services may exhibit the characteristics of effective competition: there are no significant barriers to entry or exit and no reseller has the ability to control prices or demand. Because the services and rates of the major suppliers are regulated, there may be no need to regulate resellers in the traditional manner.

Alternate operator services (AOS), COCOT services, and shared tenant services (STS) are services that require special treatment because of their monopoly potential to restrict customer choices. AOS resellers provide long distance service for operator assisted calls. There is no alternative means of carrier selection and AOS users are vulnerable to high rates and poor service. The Commission has issued rules to limit AOS rates and establish service requirements. Under this proposal, AOS regulation would continue; and, a reseller or nondominant company, otherwise exempt from regulation, that provides AOS, would be subject to AOS service, rate and interconnection requirements.

COCOTs are coin or credit card operated telephones that are owned by independent businesses. The only change recommended in this proposal for COCOTS is clarification of the Commission's authority to include information and interconnection requirements in its service rules.

Shared tenant services are provided when the owner of a building supplies switching equipment and some telephone service without necessarily using the facilities of the local exchange company. STS providers have a virtual monopoly over the provision of service within their buildings. The bill requires these providers to allow reasonable access to the services of a local exchange company and interexchange company for tenants who wish to receive them, to offer a local exchange and interexchange company access to the building's facilities at reasonable rates, and to comply with any registration and reporting requirements that the Commission may establish.

Nondominant interexchange companies -- companies other than ATTCOM-NY, such as MCI and Sprint -- exert little market power. The proposal would authorize the Commission to determine that a company is nondominant and classified as a nondominant telecommunications provider, subject to modified regulation.

Certain services, such as Centrex, provided by the local exchange companies may no longer dominate the market. It may be reasonable to modify the regulation of these services provided that adequate protections exist against subsidies from the company's regulated operations. The bill would allow selective modified regulation of these nondominant services. However, the bill would not authorize any change in the regulation of basic telephone service.

AN ACT to amend to public service law, in relation to certain telecommunications providers and services and to repeal subdivision twenty-five of section two, paragraph (g) of subdivision one of section five, section eight-a, subdivision three of section ninety and subdivision five of section ninety-six of such law

1 Section 1. Legislative findings and declaration of
2 purpose. The legislature hereby finds and declares that:

3 1) Competition among providers of telecommunications
4 services, encouraged in a prudent and deliberate manner, will
5 result in more efficient and innovative means of communication at
6 lower prices for consumers:

7 2) Advances in technology and federal actions have
8 altered and will continue to affect the structure of the
9 telecommunications industry:

10 3) A modern and efficient telecommunications network
11 will promote more efficient industries and higher productivity.
12 stimulate economic growth, thus leading to more services, jobs
13 and economic opportunities for the citizens of New York state:

14 4) In recent years, the number of firms operating in
15 the telecommunications markets, including toll and cellular, has
16 increased and each of these markets exhibits competitive
17 characteristics:

18 5) Provisions of the public service law designed to
19 limit competition and protect the public against the abuses of

1 monopoly power are not needed for companies subject to
2 competition because effective competition provides the incentive
3 to maximize productivity and control costs:

4 6) There is a strong public interest in maintaining
5 universal availability of telephone service and high service
6 quality, providing adequate assistance and information for
7 customers, promoting fair and reasonable prices for
8 telecommunications services, and preventing the emergence of an
9 unregulated monopoly or near monopoly.

10 Accordingly, the legislature declares that it shall be
11 the purpose of this act to encourage the development of
12 competition in a prudent and deliberate manner, to modify
13 regulation of services and providers subject to competition, to
14 authorize the commission to reinstitute prior, more traditional
15 regulation no sooner than one year from the act's effective date
16 to the extent necessary to protect the public interest, to issue
17 rules establishing minimum requirements for certain providers and
18 services, to monitor and receive reports on the development of
19 competition in the telecommunications market, and to provide
20 advice and assistance to customers in resolving complaints about
21 certain telecommunications providers or services.

22 §2. The public service law is amended by adding a new
23 article 5-A, to read as follows:

ARTICLE 5-A - PROVISIONS RELATING
TO TELECOMMUNICATIONS
PROVIDERS AND SERVICES

Section

102. Application of article

102-a. State telecommunications policy

102-b. Definitions

102-c. Nondominant telecommunications providers or services

102-d. Modification of regulation

102-e. Customer service protection

102-f. Enforcement

102-g. Supervision of telecommunications providers and services

§102. The provisions of this article pertain to

telecommunications providers and services subject to some form of
competition.

§102-a. State telecommunications policy. It shall be
the responsibility of the commission to encourage and promote the
following state telecommunications policy objectives:

1. to encourage the development of competition in the
provision of telecommunications services;

2. to ensure universal affordable telephone service
for all New York state citizens;

3. to maintain a high quality of telephone service at
reasonable rates;

4. to ensure that the citizens of New York state have
available to them the most efficient, advanced and diverse
telecommunications and informational services feasible;

5. to modify and, in appropriate cases, suspend
specific regulatory burdens and costs that discourage companies

1 from offering services or entering the market;

2 6. to promote fair and reasonable prices for
3 telecommunications services;

4 7. to ensure the provision of assistance for resolving
5 customer complaints; and

6 8. to prevent the development of any unregulated
7 monopoly or near monopoly in the provision of telephonic
8 communications service subject to reduced regulation.

9 §102-b. Definitions.

10 As used in this article.

11 1. The term "alternate operator service" means any
12 operator assisted telephonic communications service provided by
13 means of personal or automated call intervention by any person or
14 corporation, other than a local exchange company.

15 2. The term "cellular telephone service" means any
16 telephonic communications service provided by means of cellular
17 radio communication pursuant to a license issued by the federal
18 communications commission.

19 3. The term "COCOT service" means any telephonic
20 communications service provided by means of a customer owned or
21 leased currency or credit card operated telephone (COCOT).

22 4. The term "local exchange company" means any person
23 or corporation offering or providing basic dial tone exchange
24 access service within an exchange area, excluding shared tenant
25 services.

26 5. The term "other communications company" means any

1 person or corporation, other than a local exchange company or
2 reseller or COCOT, offering or providing a telephonic
3 communications service other than cellular telephone or radio
4 telephone service.

5 6. The term "radio telephone service" means any one-
6 way paging or two-way radio telephonic communications service
7 with the exception of such services provided by means of cellular
8 radio communication.

9 7. The term "reseller" means any person or corporation
10 engaged solely in the purchase and resale of telephonic
11 communications services through the use of services or facilities
12 owned or provided by a telephone corporation.

13 8. The term "shared tenant services" means any
14 services, other than those provided by a local exchange company,
15 that provide access to local exchange and/or interexchange
16 telephonic communications services and are shared by tenants or
17 other occupants of a building or multibuilding complex.

18 9. The term "telephonic communications service" means
19 (a) the transmission for hire of voices, sounds, electronic
20 signals, ideas, messages, codes, data or information of any kind,
21 nature or form through the use of telephone lines or (b) the
22 provision, operation or management for hire of any
23 telecommunications facility.

24 §102-c. 1. Nondominant telecommunications providers
25 or services evidencing some form of competition and subject to
26 the provisions of article five-A of this chapter rather than

1 articles five and six shall include:

2 a. cellular telephone service:

3 b. reseller:

4 c. COCOT service:

5 d. shared tenant services:

6 e. any other communications company determined by the
7 commission to be nondominant:

8 f. any telephonic communications service, other than
9 basic telephone service, that is offered by a telephone
10 corporation and determined by the commission to be nondominant.

11 2. The commission shall have the authority to
12 determine that any other communications company or any service
13 provided by a telephone corporation is nondominant in a
14 telecommunications market. In making the determination, the
15 commission shall consider:

16 a) market share,

17 b) the number of providers of similar services,

18 c) price levels,

19 d) financial information, and

20 e) such other indices of competition that the
21 commission shall specify.

22 §102-d. Modification of regulation.

23 1. Except as otherwise provided in this article,
24 nondominant telecommunications providers or services shall be
25 exempt from the requirements of articles five and six of this
26 chapter and shall be subject to the requirements of this article

1 unless the commission, no sooner than one year after the
2 effective date of this article, shall make a determination, after
3 notice and hearing, that regulation of any such providers or
4 services under articles five and six should be reinstituted to
5 the extent necessary to protect the public interest. The public
6 interest shall require the reinstitution of regulation under such
7 articles in the event that market conditions indicate that the
8 level of competition is ineffectual. Evidence of such level of
9 competition shall include, but not be limited to, a significant
10 decline in the universal availability of telephone service or
11 quality of telephonic communications service, lack of a forum for
12 resolution of customers' complaints, the ability of any
13 nondominant telecommunications provider or company providing a
14 nondominant service to set an unfair and unreasonable price for
15 service to any customer class or group, or the occurrence of
16 abuses resulting from establishment of any market control or
17 unregulated monopoly or near monopoly by a nondominant
18 telecommunications provider or in the provision of a nondominant
19 telecommunications service. The commission may reinstitute
20 regulation under such articles five and six of a nondominant
21 telecommunications provider or service within the entire state or
22 a geographical area of the state, or for a class of customers.

23 2. The commission shall have the authority to
24 establish by rule or regulation

25 a. for a cellular telephone service, a reseller,
26 nondominant other communications company or nondominant telephone

1 service: (1) registration requirements, including the filing of a
2 registration statement setting forth the name, address and
3 officers of the corporation and agent responsible for customer
4 service; (2) a notice of any decision to discontinue service; (3)
5 service requirements including the provision of access to
6 emergency service at no charge; and (4) reporting requirements,
7 including reports regarding the information set forth in section
8 one hundred two-f of this article;

9 b. for any COCOT provider: service, reporting,
10 rate, location and interconnection requirements;

11 c. for any provider of shared tenant services:
12 registration and reporting requirements, notice of discontinuance
13 of service and the requirement that such provider allow an
14 occupant of the buildings it serves to obtain local exchange and
15 interexchange service from another telephone company and offer a
16 local exchange or interexchange company access to its facilities
17 at reasonable rates for such connections;

18 d. where a reseller or an other communications
19 company determined by the commission to be nondominant offers or
20 provides an alternate operator service: service, rate and
21 interconnection requirements applicable only to the alternate
22 operator service; and

23 e. for any nondominant telecommunications
24 provider or service: such other service, rate and informational
25 requirements, including provisions prohibiting unreasonable
26 discrimination, as the commission deems necessary to carry out

1 the purposes of this article.

2 §102-a. Customer service protection.

3 1. The commission shall have the authority to monitor
4 and to require nondominant telecommunications providers or
5 providers of nondominant telecommunications services to supply
6 information concerning (a) the status of competition in
7 telecommunications markets, including but not limited to, the
8 provider's market share, the number of providers and price
9 levels, financial information, and the effects of competition on
10 the provision of telephonic communications service; and (b)
11 market conditions to determine whether (i) telephone service is
12 universally available, (ii) the quality of telephonic
13 communications service is adequate, (iii) an adequate forum is
14 available for assisting customers in resolving complaints, (iv)
15 fair and reasonable prices for telecommunications customers are
16 charged to customers of the services, and (v) an unregulated
17 monopoly or near monopoly nondominant telecommunications provider
18 or service is developing in the market.

19 2. The commission shall have authority to provide for
20 a survey of customer satisfaction among customers of other
21 communications companies and local exchange companies and among
22 customers of cellular telephone services. The commission shall
23 have the power to require such surveys to be performed by its
24 staff or by an independent consultant. In the event that the
25 commission decides to have the survey performed by an independent
26 consultant, it shall have the authority to select the consultant

1 and to require other communications companies, local exchange
2 companies and companies providing cellular telephone services to
3 contract with the consultant and to pay for the survey according
4 to an equitable apportionment of costs. The contract shall
5 provide that the consultant shall work for and under the
6 direction of the commission.

7 1. The commission shall have the authority to (a)
8 ensure that nondominant telecommunications providers and
9 providers of nondominant telecommunications services make
10 available adequate complaint handling procedures for their
11 customers, and (b) provide advice and assistance to any customer
12 with a complaint relating to the rates, terms and conditions of a
13 nondominant service or a service supplied by a nondominant
14 provider.

15 §102-f. Enforcement

16 1. The commission shall have the authority to assess a
17 penalty not to exceed fifty thousand dollars against any
18 nondominant telecommunications provider or provider of a
19 nondominant telecommunications service that fails or neglects to
20 comply with any provision of this article or any regulation or
21 order of the commission implementing or enforcing the provisions
22 of this article. In the case of a continuing violation each day
23 shall be deemed a separate and distinct offense.

24 2. Whenever the commission shall be of the opinion
25 that any nondominant telecommunications provider or provider of a
26 nondominant telecommunications service is violating or about to

1 violate any provision of this or any regulation or order of the
2 commission implementing or enforcing the provisions of this
3 article, or has failed to pay any penalty assessed pursuant to
4 the provisions of this article, the commission shall have power
5 to bring an action or enforcement proceeding as provided by
6 section twenty-six of this chapter.

7 §102-g. 1. For the purpose of section one hundred
8 eighty-six-a of the tax law, the term "person subject to the
9 supervision of the state department of public service" as used
10 therein, shall include, but not be limited to, any person subject
11 to the requirements of articles five, five-a or six of this
12 chapter, and whether or not the regulatory authority of such
13 department is then being exercised, or is only partially
14 exercised, with respect to such requirements, shall not affect
15 the classification of such person as being subject to the
16 supervision of such department for purposes of article nine of
17 the tax law, provided however, that with respect to a telegraph
18 corporation providing solely telegraph service and with respect
19 to a person providing no telephonic communications service other
20 than (i) solely COCOT service, (ii) solely shared tenant service
21 or (iii) solely radio telephone service, such term shall include
22 only those telegraph corporations or persons subject to such
23 article five.

24 2. Notwithstanding any other provision of law, in the
25 event that the commission, pursuant to the provisions of section
26 one hundred and two-c of this article, determines that a service

1 is subject to the provisions of article five-A rather than
2 articles five and six of this chapter and a person, subject to
3 the supervision of the state department of public service for the
4 purposes of subdivision one of this section, places such service,
5 or substantially the equivalent service, into an entity,
6 directly, indirectly or constructively (1) controlled by such
7 person, (2) controlling such person or (3) under the control of,
8 along with such person, a common parent, the receipts from such
9 service attributable to this state shall be included in the base
10 of such person's receipts subject to taxation under such section
11 one hundred eighty-six-a of the tax law, in the same manner and
12 to the same extent, as if such service were being provided by
13 such person. In the event that such receipts are otherwise
14 taxable under section one hundred eighty-six-a, any receipts
15 which are so included in the taxable base of such person shall
16 not be included under such section in the base of the entity
17 providing the service.

18 §3. Subdivision twenty-five of section two, paragraph
19 (g) of subdivision one of section five, section eight-a,
20 subdivision three of section ninety and subdivision five of
21 section ninety-six are hereby REPEALED, subdivision six of
22 section ninety-six of such law is renumbered as five and
23 paragraph a of subdivision six of section ninety-six of such law,
24 as added by chapter sixty-nine of the laws of nineteen hundred
25 eighty-three, is amended to read as follows:

26 a. The commission shall have power to provide for a

1 management and operations [audits] audit of any telephone
2 [corporations] corporation. Such audits shall be performed at
3 least once every five years [after the date upon which this
4 subdivision shall have become law] for telephone corporations
5 [having] providing local exchange service that have annual gross
6 revenues in excess of one hundred fifty million dollars. The
7 audit shall include, but not be limited to, an investigation of
8 such corporation's construction program planning in relation to
9 the needs of its customers for reliable service and an evaluation
10 of the efficiency of such corporation's operations. The
11 commission shall have discretion to have such audits performed by
12 its staff or by independent auditors.

13 §4. This act shall take effect immediately.

14 §5. If any provision or section of this act shall be
15 declared invalid or unconstitutional, such declaration shall not
16 affect the validity or constitutionality of the remaining
17 provisions or sections.

18 Repealer Note: Sections 2(5) and (5) (1) (g) define a
19 stock yard and provide that the jurisdiction of the public
20 service commission shall extend to every stock yard.

21 Section 8-a requires the chairman of the commission to
22 study the feasibility of establishing a statewide primary
23 emergency telephone number and report the findings to the
24 legislature no later than March 1, 1982.

25 Section 90(3) exempts COCOTs, except as provided, from
26 the application of provisions of the public service law.

1 Section 96(5) requires the commission to report to the
2 legislature on the sales practices of telephone corporations no
3 later than three hundred sixty days after the act's effective date.